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(714) 752 7535

October 21, 1992

VIA FEDERAL EXPRESS

Bradley Litchfield, Esq.
Associate General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Advisory Opinion Request

ADVISORY OPINION REQUEST

On behalf of Insurance Coalition of America ("INCA") we are writing to seek an advisory opinion from the Federal Elections Commission ("FEC") in order to confirm that INCA's proposed method of soliciting contributions from its members to an affiliated political action committee complies with Federal law.

FACTS

INCA is a non-profit corporation organized under the laws of the State of Texas. It was established in 1983 with the purpose of protecting and enhancing the interests of those who buy or sell any type of life, health, or annuity insurance product. INCA's members have an interest in the insurance industry as policyholders or insurance agents, and as INCA members they become eligible for certain group life insurance or annuity policies available through INCA to its members. Other benefits received by the members include the INCA Newsletter which is issued periodically and which informs them as to regulatory and legislative issues affecting insurance and annuity policies and the insurance industry as a whole. INCA's members interests are also represented in Washington D.C. by INCA's board of directors and lobbyists retained by INCA.

Bradley Litchfield, Esq.
Federal Elections Commission
October 21, 1992

Page 2

The only duty imposed on INCA's members is contained in its By-Laws which require that contributions from each member must be paid in an amount not less than \$25.00.^{1/} INCA's By-Laws also provide that members are entitled to vote to elect the board of directors of INCA. These rights and obligations of INCA's members satisfy the requirements of Texas law^{2/} for membership in a Texas nonprofit corporation.

INCA has not been soliciting new members since June 15, 1992.

As a corollary to its activities, INCA has established a political action committee ("INCA-PAC"), a separate segregated fund to which INCA has been soliciting contributions from those of its members who are individuals. The definition of *member* for F.E.C. regulatory purposes is contained in 11 C.F.R. § 114.1 (e) ("*Members means all persons who are currently satisfying the requirements for membership in a membership organization, trade association, cooperative, or corporation without capital stock. .*").

PROPOSED ACTION

The FEC regulations do not clearly exclude soliciting contributions from persons who become members simultaneously with their first contribution. Nevertheless, INCA recognizes the potential for abuse under the Federal election laws if any corporation were routinely permitted to seek new members and simultaneously solicit for political contributions. INCA proposes to use a two-step solicitation procedure (described more fully below) to ensure that solicitation of its members for contributions to INCA-PAC occurs only after the members have paid their dues and become members in good standing of INCA.

^{1/} INCA's current practice is to give the members an option to pay a lifetime membership fee in a lump sum of \$25.00 or have it deducted at the rate of \$1 per month from the cash values of a member's life insurance or annuity policy for the life of the contract.

^{2/} Article 1396-1.02 of the Texas Non-Profit Corporation Act defines *member* as "one having membership rights in a corporation organized in accordance with the provisions of its articles of incorporation or its by-laws." Tex. Rev. Civ. Stat. Ann. art. 1396 (Vernon 1980).


Bradley Litchfield, Esq.
Federal Elections Commission
October 21, 1992

Page 3

INCA proposes to solicit new members through the use of a membership application form (see Exhibit A hereto) that makes no reference to INCA-PAC. To solicit contributions to INCA-PAC, INCA would use a separate form (see Exhibit B hereto), which would be sent only to persons who already qualify as INCA members, i.e. individuals who have previously paid their dues (or agreed to the one dollar per month dues deduction procedure) and have filled out and signed a membership application. INCA and INCA-PAC believe that this procedure will comply with Section 316 of the Federal Election Campaign Act.^{3/}

We would appreciate your opinion as to whether the above described membership application and separate contribution solicitation form process accords with the requirements of applicable Federal law. If you have any questions pertaining to this matter please call me at (415) 442-1692 or Michael M. Moore, also of this firm, at (415) 442-1136.

Very truly yours,



Jon C. Perry

JCP\pjj

enclosures

^{3/} 2 U.S.C. § 441 (b)

**INCA / INCA-PAC -- Advisory Opinion Request
Exhibit A**

**THE
INSURANCE
COALITION
OF
AMERICA
(INCA)**

**INCA / INCA-PAC -- Advisory Opinion Request
Exhibit A**

09:08 11/14/82 P.13:00

**Mail fees to:
The Insurance Coalition of America
Post Office Box 751145
Petaluma, CA 94975-1145
(707) 523-8493**

**Lobbyists:
Ginn, Edington, Wade & Sanders
Alexandria, VA**

**INCA / INCA-PAC -- Advisory Opinion Request
Exhibit A**

Yes, I want to join INCA. I support its efforts to protect and enhance the interest of policyholders, consumers, and the traditional and special provisions relating to life, health, and annuity policies.

☐ Enclosed is \$25 00 for my Lifetime INCA Membership

☐ Instead of enclosing the \$25 00 membership fee, I hereby authorize _____ to deduct \$1 00 a month from my cash values, for the life of the contract, and to transfer such monies to INCA. (name of company)

*Signature of member applicant _____
(Applications must be signed by the applicant)

Please type or clearly print the following information

Name _____ Age _____

Address _____ Telephone _____

City _____ State _____ Zip _____

Please make all checks payable to INCA. Only personal checks and money orders from the applicant will be accepted No cash please Membership fees are non-refundable and not tax deductible Returned checks are subject to a \$10 00 fee.

**INCA / INCA-PAC -- Advisory Opinion Request
Exhibit A**

THE INSURANCE COALITION OF AMERICA

The Insurance Coalition of America (INCA) was established in 1983 as a 501C(6) non-profit organization based in Washington, DC with the purpose of protecting and enhancing the interests of those who buy or sell any type of life, health, or annuity insurance product. The impetus for INCA was the effort of the 98th Congress to simultaneously threaten the key policyholder provisions of: financed life insurance policies; annuities, group insurance; and the definition of insurance (the "Stark/Moore" proposals).

INCA fought these proposals nearly single-handedly while official industry groups such as NALU, AALU, ACLI, etc. watched from the sidelines . . . and while insurance companies refused to even notify policyholders of these onerous provisions. In spite of our lone quest, INCA was very successful in combating efforts to remove vital policyholder protections. Specifically, INCA thwarted the efforts of Congress to limit the interest deduction on life insurance borrowing by full deletion of this provision in the final legislation (the Tax Reform Act of 1984).

But that's yesterday. What's important is today and tomorrow. There are many in Washington who would entirely destroy the insurance industry as we know it today! The tax-free buildup of insurance contracts is in jeopardy. The tax-free nature of the death benefit is in jeopardy. In fact, there is really no life or health insurance product, or sales concept, that a consumer can purchase today, that hasn't been severely threatened with fundamental change or extinction!

The threatened changes affect not only the interest and livelihood of a couple of hundred thousand individuals who sell life, health, or annuity insurance products . . . but more importantly, the consumers of insurance products. That's hundreds of millions of Americans . . . and that's where the power is!

We need you to join INCA today. The membership fee is only \$25. If you are a producer, we need you to start selling your clients and prospects on joining TODAY. Make it a part of your sales and service process. If you do, you'll help insure the continuation of that sales and service process tomorrow. If you don't--?

So take the time TODAY to protect your future for tomorrow. DO IT NOW!

**THE
INSURANCE
COALITION
OF
AMERICA
(INCA)**

&

**THE
INSURANCE
COALITION
OF AMERICA
POLITICAL
ACTION
COMMITTEE
(INCA-PAC)**

**MUR 3183 -- Advisory Opinion Request
Exhibit B**

Yes, as a member of INCA I wish to contribute to INCA-PAC. Enclosed is my \$ _____ voluntary contribution.
(amount)

(A \$20.00 contribution is suggested, but I understand that I am free to contribute more or less than the suggested contribution and that I will not be favored or disadvantaged by reason of the amount of my contribution or a decision not to contribute.)

*Signature of member contributor _____
(Applications must be signed by the contributor)

Please type or clearly print the following information.

Name _____ Age _____
Address _____ Telephone _____
City _____ State _____ Zip _____

Please make all checks payable to INCA-PAC. Only personal checks and money orders from the contributor will be accepted. No cash please. Contributions are non-refundable and not tax deductible. Returned checks are subject to a \$10.00 fee. Contributions to INCA-PAC are subject to the prohibitions and limitations of the Federal Election Campaign Act, as amended.

**INCA / INCA-PAC -- Advisory Opinion Request
Exhibit B**

Yes, as a member of INCA I wish to contribute to INCA-PAC. Enclosed is my \$ _____ voluntary contribution
(amount)

(A \$20.00 contribution is suggested, but I understand that I am free to contribute more or less than the suggested contribution and that I will not be favored or disadvantaged by reason of the amount of my contribution or a decision not to contribute.)

*Signature of member contributor _____
(Applications must be signed by the contributor)

Please type or clearly print the following information.

Name _____ Age _____
Address _____ Telephone _____
City _____ State _____ Zip _____

Please make all checks payable to INCA-PAC. Only personal checks and money orders from the contributor will be accepted. No cash please. Contributions are non-refundable and not tax deductible. Returned checks are subject to a \$10.00 fee. Contributions to INCA-PAC are subject to the prohibitions and limitations of the Federal Election Campaign Act, as amended.



FEDERAL ELECTION COMMISSION

WASHINGTON D C 20463

October 29, 1992

**Jon C. Perry
Brobeck, Phleger & Harrison
Spear Street Tower
One Market Plaza
San Francisco, CA 94105**

Dear Mr. Perry:

This refers to your letter dated October 21, 1992, on behalf of The Insurance Coalition of America ("INCA"), concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to a proposed method of soliciting contributions to INCA's separate segregated fund ("INCA-PAC") from INCA members.

INCA is a non-profit corporation organized under the laws of the State of Texas. It was established in 1983 for the purpose of protecting the interests of those who buy or sell any type of life, health, or annuity insurance product. You state that INCA's members have an interest in the insurance industry as policyholders or insurance agents and, as INCA members, they become eligible for a number of benefits. These include eligibility for certain policies, receipt of the INCA newsletter which informs them of as to legislative and regulatory issues affecting them, and representation in Washington, D.C. by INCA's board of directors and lobbyists.

You state that the only duty imposed upon INCA's members is that they make a contribution to INCA in an amount no less than \$25, as stated in the By-Laws. The By-Laws also provide that members may vote to elect the board of directors.

You state that INCA recognizes the potential for abuse if a corporation were routinely permitted to seek new members and simultaneously solicit for PAC contributions. INCA proposes to use a "two-step solicitation procedure" to ensure that solicitation of members occurs "only after the members have paid their dues and become members in good standing." You propose to use a membership solicitation form that makes no reference to the PAC. To solicit contributions to the PAC, INCA would use a separate form to be sent only to people who have signed a membership application who have previously paid their dues or agreed to a procedure whereby \$1 a month would be deducted from the cash value of a member's life insurance or annuity policy for the life of the contract.

You have enclosed a copy of both the proposed membership solicitation and the proposed PAC solicitation.

The Act authorizes the Commission to issue an advisory opinion in response to a "complete written request" from any person with respect to a specific transaction or activity by the requesting person. 2 U.S.C. §437f(a). Commission regulations explain that such a request "shall include a complete description of all facts relevant to the specific transaction or activity with respect to which the request is made. 11 CFR 112.1(c).

In view of the above cited requirements, you will need to send us a INCA's Articles of Incorporation, and any amendments, and current By-Laws. In lieu of sending these documents, you may verify that: (1) the Articles of Incorporation dated September 30, 1983, and the amendments to the Articles, dated February 12, 1990, constitute the complete Articles presently in effect; and (2) that the By-Laws amended as of April 17, 1991, comprised of nine articles, constitute the By-Laws presently in effect. In addition, you will need to send the most recent financial statement reflecting INCA's activity.

In addition, you will also need to provide clarification and information as to a few points set out in the following questions:

- (1) Please explain further the timing and method of solicitation of INCA membership and solicitation of contributions to the PAC. What time period will elapse between the point when an individual becomes a member and when the individual is solicited for a PAC contribution? Will this solicitation occur only by mail or will there be door-to-door solicitation as well?
- (2) Explain the source of the membership of INCA. For example, does it come from members of the general public who own or sell health insurance, life insurance, or annuity policies? Is it comprised of persons who have not bought any of these policies but who are eligible to buy these policies through INCA? Does a person have to own or buy such a policy in order to be a member?
- (3) Please explain the mechanism for deducting one dollar a month from the cash value of a life insurance or annuity policy for membership purposes. Does this apply only to policies obtained through INCA or does it apply to other policies held by the member? How is INCA able to attach the money from the policy? Will there be some record actually reflecting the deduction of one dollar per month from the cash value of the policy? Will this deduction be made for more than 25 months? Will this deduction be available for health insurance

policy holders?

- (4) # Is there any proxy or mail-in system for electing the board of directors or must the member be present at the annual meeting? If the latter, what percentage of the members are present at the annual meeting to elect the board?

Upon receiving your responses to the above questions and request for documents, this office and the Commission will give further consideration to your inquiry as an advisory opinion request. If you have any questions concerning the advisory opinion process or this letter, please contact the undersigned.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


N. Bradley Litchfield
Associate General Counsel

BROBECK, PHLEGER & HARRISON

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4675 MACARTHUR COURT
SUITE 1000
NEWPORT BEACH CALIFORNIA 92660
(714) 752 7535

November 17, 1992

VIA FEDERAL EXPRESS

Bradley Litchfield, Esq.
Associate General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

AOR 1992-41

NOV 18 9 11 AM '92
FEDERAL ELECTION
COMMISSION
WASHINGTON, D.C.

Re: **Advisory Opinion Request**

**ADVISORY OPINION REQUEST
Request for Additional Information**

On behalf of Insurance Coalition of America ("INCA") we are writing in response to your letter of October 29, 1992, seeking additional information and documents relating to INCA's advisory opinion request letter of October 21, 1992 (the "AOR"). Our response is organized in the order in which your queries appear in your letter.

DOCUMENTS REQUESTED

1) Articles of Incorporation: INCA confirms that the Articles of Incorporation dated September 30, 1982, and the amendments to the Articles dated February 12, 1990, constitute the complete Articles presently in effect.

2) By-Laws: INCA confirms that the By-Laws amended as of April 17, 1991, comprised of nine articles, constitute the By-Laws presently in effect.

3) Financial Statement of INCA: Attached as Exhibit A is a copy of the Balance Sheet of INCA as of September 30, 1992 and a Statement of Receipts and Disbursements for the three month period then ended.

Bradley Litchfield, Esq.
Federal Elections Commission
November 17, 1992

Page 2

OTHER INFORMATION REQUESTED

1) Solicitation for membership in INCA is done by insurance industry professionals. It may occur via mailings of the INCA membership application and/or phone or face to face solicitations. Solicitation of contributions for INCA-PAC would occur only by mail and not door to door nor by telephone solicitation. INCA intends to solicit contributions to INCA-PAC by including the INCA-PAC information and donation solicitation form (previously provided as Exhibit B to the AOR) with the mailing of the INCA introduction letter and membership card to new members. This generally occurs at least one week after the effective membership date. In addition the INCA-PAC information would be included in the INCA newsletter which is sent to members on a quarterly or semi-annual basis. While this newsletter may be sent to non-members the INCA-PAC materials would only be included in those newsletters sent to members of INCA.

2) The source of INCA's membership is those individuals and organizations who sell or purchase life and annuity insurance products. Health insurance is not offered to INCA members, although INCA's purposes include protecting the interests of those who buy or sell life, health or annuity insurance products. With few exceptions persons who join INCA also participate in the group insurance products available to INCA members. However, a member is not required to participate in such group insurance products.

3) One dollar is deducted monthly from the cash value of a life or annuity policy, obtained through INCA, as authorized by the INCA member, for the life of that policy. The deduction applies only to those policies obtained through insurers offering group policies to INCA members and which are authorized in each case by the INCA member. The insurance company which issued the policy deducts one dollar per month from such policies and transfers the deductions to INCA each quarter as a lump sum. Records of these deductions are kept by the insurance carrier and forwarded quarterly to INCA. Deductions are authorized for the life of the contract and therefore will be made for more than 25 months unless the contract is terminated. INCA does not offer group health insurance to its members and therefore the monthly deductions for dues are available for life and annuity products only.

Bradley Litchfield, Esq.
Federal Elections Commission
November 17, 1992

Page 3

4) There is a proxy system for electing the board of directors. A proxy and ballot for the election of directors which occurs at the annual April membership meeting is mailed in conjunction with the March issue of the INCA newsletter. Members receive the proxy at least 20 days prior to the April meeting. Attached as Exhibit B for your information is a copy of the most recent proxy sent to members.

I hope the foregoing has been responsive to your request for additional information. If you have further questions pertaining to this matter please call me at (415) 442-1692 or Michael M. Moore, also of this firm, at (415) 442-1136.

Very truly yours,



Jon C. Perry

JCP\pjj

enclosures

cc: Michael M. Moore, Esq.
Debra Depue

EXHIBIT A

INCA
THIRD QUARTER 1992

Balance Forward 6/30/92 \$74,881.36

RECEIPTS

Membership Dues \$1,075.00
Returned Check Fee \$10.00
Interest on Checking \$269.62

TOTAL RECEIPTS \$1,354.62 \$1,354.62

DISBURSEMENTS

Wages \$5,002.33
Payroll Taxes \$2,832.01
Lobbying \$9,000.00
Legal Fees \$7,853.27
Printing \$2,627.63
Postage \$551.45
Telephone \$59.85
Software Update \$60.65
Member Refunds \$75.00

TOTAL DISBURSEMENTS \$28,062.79 \$28,062.79

CASH BALANCE 9/30/92 \$48,173.19

BANK BALANCE 9/30/92 \$48,173.19

INCA Excess of Receipts over Disbursements (\$26,708.17)

Checks Written to 9/30/92

Wages \$1,453.17
Payroll Taxes \$645.98
Lobbying \$1,000.00
Legal Fees \$939.00
\$4,038.15

Accrued Balance 9/30/92 \$44,135.04

EXHIBIT A

**INCA BALANCE SHEET
September 30, 1992**

Cash Assets		\$49,173.19
Computer/Printer	\$5,589.29	
Less Accum Deprec	\$2,713.00	\$2,876.29

TOTAL ASSETS		\$51,049.48
		=====
Capital Contributions		\$13,646.00
Excess of Receipts over		\$37,403.48
Disbursements		-----
TOTAL CAPITAL/LIABILITIES		\$51,049.48
		=====

EXHIBIT B

**NOTICE OF MEETING AND PROXY FOR THE
INSURANCE COALITION OF AMERICA
FOR THE ANNUAL MEMBERSHIP MEETING TO BE HELD APRIL 27, 1992
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned member(s) hereby nominate(s) and appoint(s) Caroline A. O'Meara and Lynda L. Regan, or either of them, acting jointly or individually if only one be present and acting the proxy of the undersigned, with full powers of substitution, to attend and act as proxy or proxies of the undersigned at the Annual Meeting of the Membership (the "Meeting") of the INSURANCE COALITION OF AMERICA (the "Corporation") to be held at the Ritz Carlton Tysons Corner, 1700 Tysons Blvd., McLean, VA, on April 27, 1992, at 4:00 P.M., and at any and all adjournments thereof, and to vote as such proxy or proxies may deem appropriate with respect to all other matters which come before the Meeting with respect to which the undersigned, if personally present, would be entitled to vote.

THE UNDERSIGNED acknowledges receipt of the notice of the Meeting and the Proxy Statement accompanying said notice.

Dated: _____

(Signature)

(Print Name)

PLEASE COMPLETE the section on the reverse side if you wish to vote for the Corporation's Board of Directors by this Proxy, irrespective of whether or not you have delegated by this instrument the authority to vote on your behalf with respect to all other matters.

ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS OF THE INSURANCE COALITION OF AMERICA. Please select not less than 3 and not more than 10 members of the Board in the space provided. You may also indicate any other candidates in the space(s) provided under the caption "Other." Please return the executed Proxy with your selections for the Board of your election for the members of the Board of Directors of INCA.

_____ J Robert Doster, Jr	_____ J B. Robertson	_____ Other: _____
_____ Ronald B. Gurn	_____ Donald R. Williams	_____
_____ John D. Regan	_____ Other _____	_____
_____ William P. Squire, Jr	_____	_____
_____ William H. Edington	_____	_____
_____ Roger McCarty	_____	_____

Dated: _____

(Signature)

(Print Name)

The Membership may approve such other matters as may properly come before the Meeting. **THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS DIRECTED. IMPORTANT — THIS PROXY MUST BE SIGNED AND DATED ON THE REVERSE.**

Please date this proxy and sign above as your name(s) appear(s) on the mailing label. Corporate proxies should be signed by an authorized officer. Executors, administrators, trustees, etc., should give their full titles.

**PROXIES AND BALLOTS MUST BE RECEIVED BY INCA NO LATER THAN APRIL 22, 1992.
MAIL TO: Insurance Coalition of America, P. O. Box 751145, Petaluma, CA 94975-1145**



The State of Texas

Secretary of State

CERTIFICATE OF INCORPORATION

OF

THE LIFE INSURANCE QUALITY OF AMERICA
CHARTER NUMBER 574297

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT ARTICLES OF INCORPORATION FOR THE ABOVE
CORPORATION, DULY SIGNED AND VERIFIED HAVE BEEN RECEIVED IN THIS
OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SUCH SECRETARY OF STATE, AND
VIRTUE OF THE AUTHORITY VESTED IN HIM BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION AND ATTACHES HERETO A COPY OF THE
ARTICLES OF INCORPORATION.

DATED OCT. 3, 1933



APPROVED

FILED

19

Robert W. Faint



The State of Texas
Secretary of State

OCT. 3, 1983

J GORDON CHRISTY--JOHNSON & SWANSON
4700 INTERFIRST TWD
DALLAS, TX 75270

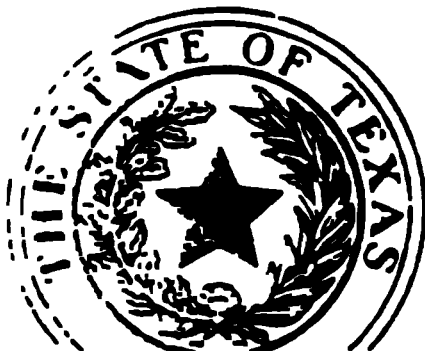
RE: THE LIFE INSURANCE COALITION OF AMERICA
CHARTER NUMBER 074297-1

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE OF TAXABLE ITEMS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS ENTITLED TO BE EXEMPT YOU MUST APPLY TO THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.

VERY TRULY YOURS,




Secretary of State

2-19

FILED
In the Office of
Secretary of State

OCT 03 1958

ARTICLES OF INCORPORATION

OF

Clerk B
Corporations Sec

THE LIFE INSURANCE COALITION OF AMERICA

We, the undersigned natural persons of the age of eighteen (18) years or more, at least two of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I

The name of the corporation is The Life Insurance Coalition of America.

ARTICLE II

The corporation is a non-profit corporation and shall have all of the powers, duties, authorizations and responsibilities as provided in the Texas Non-Profit Corporation Act; provided, however, the corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income taxation, as an organization described in section 501(c)(6) of the Internal Revenue Code of 1954, as amended (or corresponding provisions of any subsequent federal tax law), or as a corporation contributions to which are deductible under section 162 of the Internal Revenue Code of 1954, as amended (or corresponding provisions of any subsequent federal tax law).

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ARTICLE III

The period of the corporation's duration is perpetual.

ARTICLE IV

The purposes for which the corporation is organized are:

(1) **Actively to represent the interests of the members of the corporation with respect to federal and state legislative and regulatory activities and other matters affecting all aspects of life insurance and the provision of life insurance to policy holders, including the taxation of life insurance, life insurance proceeds, and policy loans.**

(2) **To engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein.**

ARTICLE V

The street address of the initial registered office of the corporation is 4700 InterFirst Two, Dallas, Texas 75270, and the name of its initial registered agent at such address is Danny Miller.

ARTICLE VI

The number of directors constituting the initial Board of Directors of the corporation is three (3). The names and addresses of the persons who are to serve as the initial directors are:

Henry J. ("Bud") Smith	8235 Douglas Avenue, Suite 1101 Dallas, Texas 75225
-------------------------------	--

David A. Bardes	P.O. Box 6786 Vero Beach, Florida 32960
------------------------	--

William C. Chasey

2233 Calle Tiara
LaJolla, California 92037

The full and complete management and control of the corporation shall be vested in the Board of Directors, the number of which shall be determined by the Bylaws of the corporation. This number shall be subject to change from time to time as the Bylaws may be amended by the Board of Directors; provided, however, that the number of directors shall never be less than three (3).

Every director, officer, former director and former officer of the corporation shall be indemnified by the corporation against all expenses and costs (including attorneys' fees) actually and necessarily incurred by him or her in connection with any claim asserted against him or her, by action in court or otherwise by reason of his or her being or having been such director or officer, except in relation to matters as to which he or she shall have been guilty of negligence or misconduct with respect to the matter for which indemnity is sought. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director, officer, former director, or former officer may be entitled.

ARTICLE VII

The power to adopt, alter, amend or repeal the Bylaws of the corporation shall be vested in its Board of Directors.

ARTICLE VIII

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its directors, officers or any private shareholder or

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other individual, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the corporation affecting one or more of its purposes.

ARTICLE IX


Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation as follows: (1) all assets of the corporation that are not net earnings of the corporation and that are attributable to members' dues and can be traced to individual member's dues shall be distributed to members and former members whose dues gave rise to such assets in proportion as a member's or former member's dues that gave rise to the assets bears to all dues giving rise to such assets, and (2) all other assets shall be distributed to such "eligible organization or organizations" as the Board of Directors shall determine. As used in this Article IX, "eligible organization or organizations" shall mean organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954, as it now exists or as it may hereafter be amended. Any of such assets not so disposed of shall be disposed of by the Probate Court of the county in which the principal office of the corporation is then located, exclusively for such purposes, or to such "eligible organization or organizations" as said court shall determine.

ARTICLE X


The name and address of each incorporator is:

Danny Miller	4700 InterFirst Two Dallas, Texas 75270
J. Anthony Patterson, Jr.	4700 InterFirst Two Dallas, Texas 75270
J. Gordon Christy	4700 InterFirst Two Dallas, Texas 75270


IN WITNESS WHEREOF, we have hereunto set our hands this 30th day of
September, 1983.



DANNY MILLER




J. ANTHONY PATTERSON, JR.



J. GORDON CHRISTY

STATE OF TEXAS)
)
COUNTY OF DALLAS)

I, the undersigned Notary Public in and for Dallas County, Texas, do hereby certify that on this 30th day of September, 1983, personally appeared before me DANNY MILLER, J. ANTHONY PATTERSON, JR. and J. GORDON CHRISTY, who being by me first duly sworn, declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.



Notary Public in and for
Dallas County, Texas

ANN E. SIMPSON, Notary Public
in and for the State of Texas
My Commission Expires 1-11-86

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EXHIBIT A

**ARTICLES OF INCORPORATION
OF
THE LIFE INSURANCE COALITION OF AMERICA**

We, the undersigned natural persons of the age of eighteen (18) years or more, at least two of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I

The name of the corporation is The Life Insurance Coalition of America.

ARTICLE II

The corporation is a non-profit corporation and shall have all of the powers, duties, authorizations and responsibilities as provided in the Texas Non-Profit Corporation Act; provided, however, the corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income taxation, as an organization described in section 501(c)(6) of the Internal Revenue Code of 1954, as amended (or corresponding provisions of any subsequent federal tax law), or as a corporation contributions to which are deductible under section 162 of the Internal Revenue Code of 1954, as amended (or corresponding provisions of any subsequent federal tax law).

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ARTICLE III

The period of the corporation's duration is perpetual.

ARTICLE IV

The purposes for which the corporation is organized are:

(1) **Actively to represent the interests of the members of the corporation with respect to federal and state legislative and regulatory activities and other matters affecting all aspects of life insurance and the provision of life insurance to policy holders, including the taxation of life insurance, life insurance proceeds, and policy loans.**

(2) **To engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein.**

ARTICLE V

The street address of the initial registered office of the corporation is 4700 InterFirst Two, Dallas, Texas 75270, and the name of its initial registered agent at such address is Danny Miller.

ARTICLE VI

The number of directors constituting the initial Board of Directors of the corporation is three (3). The names and addresses of the persons who are to serve as the initial directors are:

**Henry J. ("Bud") Smith 8235 Douglas Avenue, Suite 1101
Dallas, Texas 75225**

**David A. Bardes P.O. Box 6786
Vero Beach, Florida 32960**

9-1-19

William C. Chasey

2233 Calle Tiara
LaJolla, California 92037

The full and complete management and control of the corporation shall be vested in the Board of Directors, the number of which shall be determined by the Bylaws of the corporation. This number shall be subject to change from time to time as the Bylaws may be amended by the Board of Directors; provided, however, that the number of directors shall never be less than three (3).

Every director, officer, former director and former officer of the corporation shall be indemnified by the corporation against all expenses and costs (including attorney's fees) actually and necessarily incurred by him or her in connection with any claim asserted against him or her, by action in court or otherwise by reason of his or her being or having been such director or officer, except in relation to matters as to which he or she shall have been guilty of negligence or misconduct with respect to the matter for which indemnity is sought. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director, officer, former director, or former officer may be entitled.

ARTICLE VII

The power to adopt, alter, amend or repeal the Bylaws of the corporation shall be vested in its Board of Directors.

ARTICLE VIII

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its directors, officers or any private shareholder, or

other individual, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the corporation affecting one or more of its purposes.

ARTICLE IX

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation as follows: (1) all assets of the corporation that are not net earnings of the corporation and that are attributable to members' dues and can be traced to individual member's dues shall be distributed to members and former members whose dues gave rise to such assets in proportion as a member's or former member's dues that gave rise to the assets bears to all dues giving rise to such assets, and (2) all other assets shall be distributed to such "eligible organization or organizations" as the Board of Directors shall determine. As used in this Article IX, "eligible organization or organizations" shall mean organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954, as it now exists or as it may hereafter be amended. Any of such assets not so disposed of shall be disposed of by the Probate Court of the county in which the principal office of the corporation is then located, exclusively for such purposes, or to such "eligible organization or organizations" as said court shall determine.

ARTICLE X

The name and address of each incorporator is:

Danny Miller	4700 InterFirst Two Dallas, Texas 75270
J. Anthony Patterson	4700 InterFirst Two Dallas, Texas 75270
J. Gordon Christy	4700 InterFirst Two Dallas, Texas 75270

**IN WITNESS WHEREOF, we have hereunto set our hands this ____ day of
September, 1983.**

DANNY MILLER

J. ANTHONY PATTERSON

J. GORDON CHRISTY

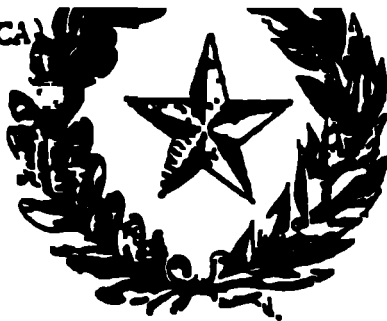
STATE OF TEXAS)
)
COUNTY OF DALLAS)

**I, the undersigned Notary Public in and for Dallas County, Texas, do
hereby certify that on this ____ day of September, 1983, personally appeared
before me DANNY MILLER, J. ANTHONY PATTERSON and J. GORDON
CHRISTY, who being by me first duly sworn, declared that they are the persons
who signed the foregoing document as incorporators, and that the statements
therein contained are true.**

**Notary Public in and for
Dallas County, Texas**

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Exhibit 1.b.
Amended Articles of Incorporation



The State of Texas

SECRETARY OF STATE

CERTIFICATE OF AMENDMENT OF

INSURANCE COALITION OF AMERICA

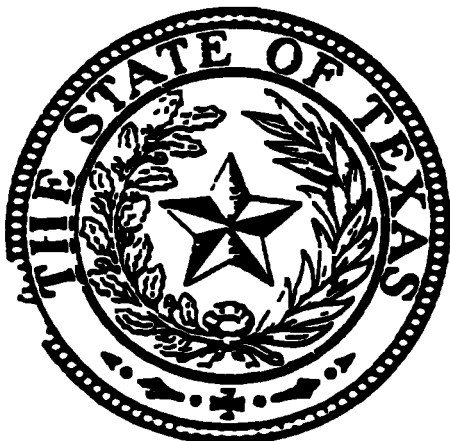
CHARTER NO. 674297-01 formerly THE LIFE INSURANCE COALITION OF AMERICA
The undersigned, as Secretary of State of the State of Texas, hereby certifies that

Articles of Amendment to the Articles of Incorporation of the above corporation duly signed pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this Office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Amendment to the Articles of Incorporation and attaches hereto a copy of the Articles of Amendment.

Dated FEBRUARY 26 1990

Gary S. Bayard Jr.
Secretary of State



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**ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION**

FILED
In the Office of the
Secretary of State of Texas

FEB 26 1990

Corporations Section

Pursuant to the provisions of Article 1396-4.03 of the Texas Non-Profit Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation which:

Change the name of the corporation from The Life Insurance Coalition of America to Insurance Coalition of America, broaden the purposes for which the corporation was organized to include such forms of insurance as health insurance and disability insurance, and change the corporation's registered agent and registered office.

ARTICLE ONE

The name of the corporation is The Life Insurance Coalition of America.

ARTICLE TWO

The following amendments to the Articles of Incorporation were adopted by the corporation on January 1, 1990.

Article I of the Articles of Incorporation is hereby amended so as to read as follows:

The name of the corporation is Insurance Coalition of America.

Article IV of the Articles of Incorporation is hereby amended so as to read as follows:

The purposes for which the corporation is organized are:

(1) To actively represent the interests of the members of the corporation with respect to federal and state legislative and regulatory activities and other matters effecting all aspects of life, health and disability insurance and all other related types of insurance, and the provision of such insurance to policy holders; and

(2) To engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein.

Article V of the Articles of Incorporation is hereby amended so as to read as follows:

The address of the registered office of the corporation is CT Corporation System, 1601 Elm Street, Dallas, Texas, 75201, and the name of the registered agent is CT Corporation System.

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ARTICLE THREE

The amendments were adopted in the following manner:

The amendments were adopted by the unanimous written consent of the board of directors dated February 12, 1990, ~~1988~~, there being no members having voting rights in respect thereof.

Dated: February 12, 1990

The Life Insurance Coalition of America

By: 

Its President

By: 

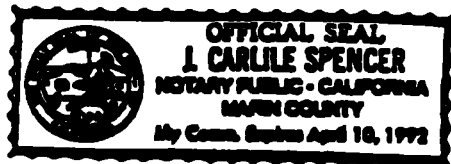
Its Secretary

Page 16 of 19

STATE OF CALIFORNIA)
)
COUNTY OF MARIN)

Before me, a notary public, on this day personally appeared John D. Regan, President, and Richard J. Kypka, Secretary, of The Life Insurance Coalition of America, known to me to be the persons whose names are subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

Given under my hand and seal of office this 12th day of February, 1990.



J. Carlile Spencer
Notary Public in and for
the State of California

My commuission expires:

April 10, 1992.

ARTICLE IX MISCELLANEOUS

9 01 Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any authority of the Board of Directors

9 02 Fiscal Year. The Board of Directors shall select the fiscal year of the Corporation.

9 03 Corporate Seal The Board of Directors shall provide a corporate seal in such form as may be determined by the Board.

9.04 Voting Shares of Other Corporations. Unless otherwise ordered by the Board of Directors, the President shall have full power and authority on behalf of the Corporation to vote either in person or by proxy at the meeting of shareholders of any corporation in which the Corporation may hold shares, and at any such meeting may possess and exercise all of the rights and powers incident to the ownership of such shares which, as the owner thereof, the Corporation might have possessed and exercised if present. The Board of Directors may confer like powers upon any person and may revoke any such powers as granted at its pleasure.

9 05 Power To Amend Bylaws. As stated in Article VII of the Corporation's Articles of Incorporation, the power to alter, amend or repeal the bylaws of the corporation shall be vested in its Board of Directors.

Bylaws Amended: November 15, 1988
April 18, 1990

**BYLAWS OF
THE INSURANCE COALITION OF AMERICA
A TEXAS NON-PROFIT CORPORATION**

ARTICLE I. PURPOSE

1.01 General. The Insurance Coalition of America (the "Corporation") is a non-profit corporation and shall have all of the powers, duties, authorizations and responsibilities as provided in the Texas Non-Profit corporation Act; provided, however, the Corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income taxation as an organization described in section 501(c)(6) of the Internal Code of 1986 (the "Code"), or that would operate to deny the Corporation its status as an organization, contributions to which are deductible under section 162 of the Code and the regulations thereunder (as such sections and regulations now exist or as they may hereafter be amended). The purposes for which the Corporation is organized are:

- (1) To actively represent the interests of the members of the Corporation with respect to federal and state regulatory activities and other matters affecting all aspects of life, health and disability insurance and all other related types of insurance, and the provision of such insurance to policy holders;**
- (2) To engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein.**

The corporation shall not carry on, other than as an insubstantial part of its activities, activities that are not in furtherance of its purposes.

1.02 Conduct of Corporate Affairs. The affairs of the Corporation shall at all times be conducted in a manner consistent with the requirements of the Code, as such requirements affect tax-exempt organizations.

ARTICLE II. OFFICES

2.01 Principle Office. The principle office of the Corporation shall be located in Novato, California.

2.02 Other Offices. The Corporation may have such other offices as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

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ARTICLE III. MEMBERS

3.01 Eligibility. The members of the Corporation shall as of any date be those individuals, business organizations, and other legal persons and entities who have made contributions at any time to the Corporation to enable it to achieve its purposes, provided such contributions satisfy the requirements of section 8.01 of these Bylaws.

3.02 Voting. Members shall not be entitled to vote on any matters affecting the Corporation, except those matters on which a vote of the Members of the Corporation is expressly required by the Texas Non-Profit Corporation Act.

3.03 Term. The term of all memberships in the Corporation shall be lifetime. Membership in the Corporation shall not be assignable or transferable.

ARTICLE IV. MEMBERSHIP MEETINGS

4.01 Annual Meeting. Membership meetings shall be held annually on such day as shall be fixed by resolution of the Board of Directors. The distribution of reports and information and any other transactions of business as determined by the Board of Directors shall take place at the annual membership meetings. No party or parties other than Members shall have the right to attend such meetings.

4.02 Quorum. The attendance of five (5) of the Members either in person or through written proxies shall be necessary to constitute a quorum at any membership meeting. If, at any time, fewer than twenty (20) Members shall comprise the Corporation, the attendance of a majority of the Members either in person or through written proxies shall be necessary to constitute a quorum at any membership meeting.

4.03 Special Meetings. Special meetings of the Members may be called by the President, any two members of the Board of Directors or Members aggregating not less than one-tenth (1/10) of the total number of Members of the Corporation. Notice of any special meeting shall be mailed to the last recorded address of each Member at least five (5) but not more than fifteen (15) days before the time appointed for the meeting. Such notice shall include the time and place of the meeting and information as to the purpose for which the meeting is being called. No party or parties other than Members shall have the right to attend such meetings.

ARTICLE V. BOARD OF DIRECTORS

5.01 General Powers. The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors may exercise all powers granted to the Corporation and do all lawful acts required by the affairs of the Corporation as long as the exercise of such powers and the doing of such acts are consistent with the Corporation's prescribed purposes.

5.02 Annual Election. The Directors that are to be elected for the ensuing year, shall be elected annually by the majority of the members of the Corporation present at a meeting of the members held for the purpose of conducting the annual election.

5.03 Special Elections. Special elections may be called by the President of the Corporation or the Board of Directors at any time, to enable the Board to fill vacancies or to increase the membership of the Board of Directors.

5.04 Place of Election. The Board may designate any place, either within or without of the State of Texas, as the place of meeting for any annual election or for any special election. If no designation is made, the place and time of meeting shall be at the principal office of the Corporation at 201 Alameda Del Prado, Novato, California, 94949, on the day prescribed.

5.05 Number, Tenure and Qualifications. The number of Directors shall be not less than 3 and not more than 10 as the Board shall determine from time to time. Each Director shall hold office until his or her successor shall have been elected, qualified or until the earlier of death, resignation, retirement, disqualification or removal from office (unless the Board has determined to reduce the number of Directors and has for this reason has not elected a successor to the Director in question). A director may be removed from the Board by the affirmative vote of a majority of the Board then serving.

5.06 Vacancies. Any vacancies occurring in the Board of Directors shall be filled by the affirmative vote of the majority of the Board, unless the Board has determined to reduce the number of directors and for this reason elects no successor. A director required to fill a vacancy shall hold office until his or her successor shall have been elected and qualified as provided herein.

5.07 Increase in Number of Directors. If the Board increases the number of directors by electing, by affirmative vote of a majority of the Board, an additional director, that newly elected member of the Board of Directors shall be elected for a term specified by the Board which the Board determines to be consistent with the provisions of Section 5.05.

5.08 Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this bylaw immediately before and after and at the same place as the annual membership meeting. The Board of Directors may provide by resolution a time and place for the holding of additional regular meetings of the Board without other notice in such resolution.

5.09 Special Meetings. Special meetings of the Board of Directors may be called by or at the written request of the Chairman of the Board, the President or any three (3) members of the Board of Directors. The person or persons authorized to call special meetings of the Board may fix any place, as the place for holding any special meeting of the Board called by them.

5.10 Notice. Notice of any special meeting of the Board of Directors shall be given at least five (5) days prior to the meeting by written notice delivered personally or sent by mail or telegram to each director at his or her address as shown by the records of the Corporation or given by telephone, as provided below. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company for transmission. Notice to directors may also be given by telephone and shall be deemed given at the time the telephone message is communicated to a responsible individual at the phone number listed for a director's residence or place of business. Any director may waive notice of any meeting by a writing signed by the director, whether signed before or after the holding of the meeting, and such written waiver, when signed, shall be deemed the equivalent of the giving of such notice. The attendance of a director at any meeting of the Board shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business thereat because such meeting is not lawfully called or convened. The business to be transacted at any regular or special meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law.

5.11 Quorum. A majority of the total number of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the directors are present at such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. A Director shall be considered present at any meeting of the Board of Directors if during the meeting he or she is in radio or telephone communication with the other directors participating in the meeting. Directors present by proxy shall not be counted in determining whether a quorum is present at any meeting of the Board.

5.12 Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, by the Articles of Incorporation, or by these bylaws.

5.13 Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors, any director may be reimbursed for reasonable expenses incurred in attending any regular or special meeting of the Board. Nothing contained herein shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefore.

5.14 Procedure: Minutes. At meetings of the Board of Directors, business shall be transacted in such order as the Board may determine from time to time. The Board of Directors shall appoint at each meeting a person to act as secretary of the meeting. The secretary of the meeting shall prepare minutes of the meeting which shall be delivered to the secretary of the Corporation to be placed in the minute books of the Corporation, and shall have the same force and effect as a unanimous vote of the directors at an actual meeting.

5.15 Informal Action by Directors. Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting of a consent in writing setting forth the action so taken shall be signed by all of the directors. Such consent shall be placed in the minute book of the Corporation, and shall have the same force and effect as a unanimous vote of the directors at an actual meeting.

5.16 Consent to Action. If all directors consent, either by a writing on the records of a meeting of the Board of Directors filed with the secretary, or by the presence at such meeting and oral consent entered in the minutes of such meeting, or by taking part in the deliberations undertaken at such meeting without objection, all actions taken at such meeting shall be valid as if taken at a meeting regularly called and noticed, and at such meeting any business may be transacted which is not excepted from the written consent or which is not objected to at such meeting for want of notice. If any meeting of the Board of directors is irregular for want of notice or such consent, the proceedings of such meeting may be ratified, approved and rendered valid, and the irregularity of defect therein waived, by a writing signed by all directors, as applicable, provided a quorum was present at such meeting.

5.17 Proxies. Except as otherwise prohibited herein, a director may vote by proxy at any meeting of the Board of Directors, or execute by proxy any consent of directors if the proxy is executed in writing by that director. Each such proxy shall be revocable unless expressly provided therein to be irrevocable or otherwise made irrevocable by law.

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5.18 Chairman of the Board. The Chairman of the Board shall be elected by a majority of the directors present at a meeting at which directors are elected and shall preside at all meeting of the Board and Members and perform all other powers and duties as may from time to time be assigned to him or her by the Board of Directors or prescribed by these Bylaws.

ARTICLE VI. OFFICERS

6.01 Officers. The officers of the Corporation shall be chosen by the Board of Directors and shall consist of a president, one or more vice presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries, and one or more Assistant Treasurers, for such terms as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

6.02 Compensation of Officers. The salaries, if any, of the officers and agents of the Corporation shall be fixed by the Board of Directors.

6.03 Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as possible. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor, if any, shall have been duly elected and qualified or until their earlier death, resignation, retirement, disqualification or removal from office.

6.04 Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. Election or appointment of an officer shall not of itself create any contract rights in such officer.

6.05 Vacancies. A vacancy occurring in any office due to death, resignation, removal, disqualification, or other cause, may be filled by the Board of Directors for the unexpired portion of the term of office left vacant.

6.06 President. The President shall place into operation such business policies as shall be decided upon by the Board of Directors and communicated to the President by the Chairman of the Board or otherwise. The President shall be the principal executive officer of the Corporation and shall, in general, supervise and control all of the business and affairs of the Corporation. The President may, at the option of the Chairman of the Board, preside at all meetings of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deed, mortgages, bonds, contracts, or other instruments that the Board of Directors have authorized, generally or specifically, to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, by these bylaws, or by statute, to some other officer or agent of the Corporation; and, in general, the President shall perform all duties to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

6.07 Vice President. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President, or in the event there be more than one Vice President, Vice Presidents in the order of their election, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions on the President. Any Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

6.08 Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors, and, in general, perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. In addition to fulfilling the foregoing duties, the Treasurer shall render to the President and the Board of Directors, at the regular meeting of the Board, or when the Board so requires, an account of all of his or her transactions as Treasurer and of the financial condition of the Corporation.

6.09 Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents that may be executed on behalf of the Corporation under its seal as duly authorized by the provisions of these bylaws; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. Notwithstanding the foregoing, affixation of the corporate seal shall not be required to create a valid and binding obligation for or against the Corporation unless otherwise provided by law.

6.10 Assistant Treasurers and Assistant Secretaries. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties and as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

ARTICLE VII. COMMITTEES

7.01 Committees of Directors. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation. Each such committee shall consist of two or more directors. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed on it, him or her by law.

7.02 Advisory Boards of Committees. Advisory boards or committees not having and exercising the authority, responsibility, or duties of the Board of Directors in the management of the Corporation may be designated by a quorum is present. Except as otherwise provided in such resolution, members of each such advisory board or committee need not be directors of the Corporation. The President of the Corporation shall appoint the members thereof. Any member thereof may be removed by the President whenever in the President's judgment the best interests of the Corporation shall be served by such removal.

7.03 Term of Office. Each member of a committee of directors or advisory board or committee shall continue as such until the next annual meeting of the Board of Directors of the Corporation and until his or her successor is appointed, unless the board or committee is sooner terminated, or unless such member is removed from such board or committee or unless such member shall cease to qualify as a member thereof.

7.04 Chairman. Unless otherwise designated by these bylaws, one or more members of each directors' committee or advisory board or committee shall be appointed chairman, or co-chairman, by the person or persons authorized to appoint the members thereof.

7.05 Vacancies. Vacancies in the membership of any committee of directors or advisory board or committee may be filled by appointments made in the same manner as provided in the case of original appointments.

7.06 Quorum: Manner of Acting. Unless otherwise provided in the resolution of the Board of Directors designating a committee of directors or advisory board or committee, a majority of the whole board or committee shall constitute a quorum, and the act of the majority of the members present at a meeting at which a quorum is present shall be the act of the board or committee.

7.07 Rules. Each committee of directors or advisory board or committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors.

ARTICLE VIII.
CONTRIBUTIONS, CONTRACTS, CHECKS, DEPOSITS AND FUNDS

8.01 Contributions. Contributions entitling a party to become a Member of the Corporation shall be in amounts of not less than Twenty-five Dollars (\$25.00).

8.02 Contracts. The Board of Directors may authorize any officer or officers, or agent or agents, of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

8.03 Checks, Drafts, or Orders for Payment. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the President and countersigned by the Treasurer of the Corporation.

8.04 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

8.05 Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Corporation.

8.06 Contracts Involving Directors and Officers. Members of the Board of Directors and officers of the Corporation shall be permitted to maintain a direct or indirect interest in any contract relating to or incidental to the operations of the Corporation, and may freely make contracts, enter into transactions, or otherwise act for and on behalf of the Corporation, notwithstanding that at such time they may also be acting as individuals, or directors of trusts, or beneficiaries of trusts, members or associates, or as agents for other persons or corporations, or may be interested in the same matters as shareholders, directors or otherwise; provided, however, that any contract, transaction, or action taken on behalf of the Corporation involving a matter in which a director or officer is personally interested as a shareholder, director, or otherwise shall be at arm's length and not violative of the proscriptions in the Articles of Incorporation which prohibit the Corporation's use or application of its funds for private benefit. In no event, however, shall any person or entity dealing with the Board of Directors or officers of the Corporation be obligated to inquire into the authority of the Board and officers to enter into and consummate any contract, transaction or take other action.

8.07 Investments. The Corporation shall have the right to retain all or any part of any property, real, personal, tangible or intangible, acquired by it in whatever manner, and pursuant to the direction and judgment of the Board of Directors, to invest and reinvest any funds held by it without being restricted to the class of investments available to directors by law or any similar restriction.

8.08 Exempt Activities. Notwithstanding any other provision of these bylaws, no director, officer, employee or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation which is not permitted to be taken or carried on by an organization exempt from Federal income taxation under sections 501(a) and 501(c)(6) of the Code and its regulations as they now exist or as they may hereafter be amended, or that would operate to deny the Corporation its status as an organization, contributions to which are deductible under section 162 of the Code and the regulations thereunder (as such sections or regulations now exist or as they may hereafter be amended).

ARTICLE IX. MISCELLANEOUS

9.01 Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any authority of the Board of Directors.

9.02 Fiscal Year. The Board of Directors shall select the fiscal year of the Corporation.

9.03 Corporate Seal. The Board of Directors shall provide a corporate seal in such form as may be determined by the Board.

9.04 Voting Shares of Other Corporations. Unless otherwise ordered by the Board of Directors, the President shall have full power and authority on behalf of the Corporation to vote either in person or by proxy at the meeting of shareholders of any corporation in which the Corporation may hold shares, and at any such meeting may possess and exercise all of the rights and powers incident to the ownership of such shares, which, as the owner thereof, the Corporation might have possessed and exercised if present. The Board of Directors may confer like powers upon any person and may revoke any such powers as granted at its pleasure.

9.05 Power to Amend Bylaws. As stated in Article VII of the Corporation's Articles of Incorporation, the power to alter, amend or repeal the bylaws of the corporation shall be vested in its Board of Directors.

Bylaws Amended: November 15, 1988
 April 18, 1990
 April 17, 1991

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**INCA / INCA-PAC -- Advisory Opinion Request
Exhibit B**

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**[The INCA-PAC contribution form
will be accompanied by a message encouraging INCA members
to get involved in the political process
through contributions to INCA-PAC
that will be used to support candidates supportive of INCA's goals]**

**Mail contributions to:
The Insurance Coalition of America
Political Action Committee
Post Office Box 751145
Petaluma, CA 94975-1145
(707) 523-8493**

**Lobbyists:
Ginn, Edington, Wade & Sanders
Alexandria, VA**